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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/481,126	01/11/2000	Douglas R. Elliott	TEQ11117002	5216

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EXAMINER	
DASS, HARISH T	
ART UNIT	PAPER NUMBER

3628

DATE MAILED: 10/29/2002

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/481,126

Applicant(s)

ELLIOTT, DOUGLAS R.

Examiner

Harish T Dass

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 11 January 2000.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-3 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-3 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 4,5 6) ☐ Other: _____

DETAILED ACTION

Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 2-3 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter, particularly, an abstract idea.

The Examiner notes that the disclosed invention is within the technological arts. The claimed invention is also noted not to be a computer program, data structure, a natural phenomenon, a nondescriptive material per se. The claimed invention does not include a series of steps to be performed by a computer. The claimed invention also is not a product for performing a process, nor is it a specific machine or manufacture. The claimed invention is not a specific tangible machine or process for facilitating a business transaction. Claims 2-3 do not appear to correspond to a specific machine or manufacture disclosed within the instant specification and thus encompass any product of the class configured in any manner to perform the underlying process. Claims 2-3 do not appear to correspond to a specific machine or manufacture, and thus encompass any product of the class configured in any manner to perform the underlying process. The claimed invention of claims 2-3 also do not include a post-computer process activity

or a pre-computer process activity. Thus, no physical transformation is performed, no practical application in the technological art is found. Consequently, claims 2-3 are analyzed based upon the underlying process, and are thus rejected as being directed to a non-statutory process.

See *State Street Bank & Trust Co. V. Signature Financial Group Inc.*, 47 USPQ2d 1597 (Fed. Cir. 1998) where the Federal Circuit held that: "[T]he transformation of data, representing discrete dollar amounts, by a machine through a series of mathematical calculations into a final share price, constitutes a practical application of a mathematical algorithm, formula, or calculation, because it provides "a useful, concrete and tangible result".

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-3 are rejected under 35 U.S.C. 103(a) as being unpatentable over Web site www.howstuffworks.com/question398.htm, Howstuffworks.com, Inc. in view of Intellectual Property Technology Exchange (IPTEX) and further in view of R. Mansini, MG. Speranza, Selection of lease contracts in an asset-back securitization.

Regarding claims 1-3, Howstuffworks – discloses a venture capital funding where the money is gathered from pool of individuals to fund all sort of businesses and creates investment fund profiles where the investors invest in selected fund profiles, he/she like, by: defining a plurality of investor accounts, obtaining an initial amount from each of a plurality of investors, and associating said initial amount from each of said plurality of investors with a respective one of said plurality of investor accounts (Howstuffworks page 2 L1-51).

Howstuffworks does not disclose: identifying the initial ownership of a patent, paying an amount to said initial ownership of said patent upon the transfer of title to said patent to a subsequent owner, obtaining at least one payment from said initial ownership of said patent, and, allocating said at least one payment from said initial ownership to such respective one of said plurality of investor accounts.

However, IPTEX – discloses complete invention descriptions of new technologies by identifying the initial ownership of a patent. See reference IPTEX Pages 2-5.

Furthermore, Mansini et al, discloses a asset-back securities where the seller receives funds and the purchaser is paid back in terms of pools of credits associated with lease contract by: obtaining at least one payment from said initial ownership of said patent, and, allocating said at least one payment from said initial ownership to such respective one of said plurality of investor accounts. It would have been obvious to one of ordinary skill in the art at the time the Applicant's invention was made to modify the disclosure of Howstuffworks and include disclosure of IPTEX and Mansini et al and provide brokerage service for exchange of IP. Additionally, it is obvious that: an investor opens

an account by initially depositing funds to his/her account; and in real estate exchange when a property is sold the title or legal ownership document is transferred to new owner. The applicant's page 1 lines 24-32 provides a example of real estate (patent) which is purchased in form of mortgage (intellectual property) where the mortgage is sold back to other institutions or leased back (licensed) to original owner and real estate financing and investment and venture capital have been around for some time. The motivation for this modification is a brokerage entity (mortgage broker) that prefers to trade in recent product intellectual property technology (type of mortgage) that is an essence of free market and capitalism.

Conclusion

3. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. Applicant is required under 37 CFR ' 1.111 (c) to consider the references fully when responding to this action.

i). Law Inc. – Business and Technology; The Recorder, Thursday, May 20, 1999 (total of 1 page)

ii). TECHNOLOGY ACCESS – Products & Service;
www.techaccess.com/pages/prodserv.html (total of 3 pages)

iii). PLX Announces Plans to Revolutionize \$3.5 Billion Patent Industry Through Global, Internet-based Patent Auction Market – Anaheim, Calif.; January 22, 1999; (total of 3 pages)

iv). Managing the financial uncertainties of technology transfer; Nir Kossovsky and Bear Brandegee – CHEMTECH; Vol. 27, Num 11, Page 44-45 (total of 3 pages)

v). What Are Mortgage Securities? – www.investingbonds.com/info/igmbbs/what.html (total of 2 pages)

vi). What Types Are Available? - www.investingbonds.com/info/igmbbs/types.html (total of 7 pages)

US Patent 5,950,175 to Austin, September 7, 1999 "System for managing real estate SWAP accounts".

US Patent 5,680,305 to Apgar, October 21, 1997 "System and method for evaluating real estate"

Howstuffworks – How does venture capital work? –
www.howstuffworks.com/question398.htm (total of 5 pages)

Intellectual Property Technology Exchange – www.iptex.com (total of 21 pages)

Abstract – R. Mansini, M.G Speranza – Selection of lease contracts in an asset-backed securitization: a real case analysis (total of 1 page)

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Harish T Dass whose telephone number is 703-305-4694. The examiner can normally be reached on 8:00 AM to 4:50 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone numbers for the organization where this application or proceeding is assigned are 703-305-7687 for regular communications and 703-746-7238 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Harish T Dass *HTD*
Examiner
Art Unit 3628

Frantz
FRANTZ POINVIL
PRIMARY EXAMINER
AU 3628

October 21, 2002